

Customer Service

At the Defense Logistics Agency (DLA), the focus is on the warfighter to make sure America's Armed Forces are always logistically prepared, around the world, around the clock. DLA's customers are a diverse group, spanning not only the Department of Defense (DoD), but also other federal and state agencies, and foreign governments, each having unique needs. Operating from over 2,000 locations worldwide, in all 50 states, 30 countries, and from customers' locations, DLA's world-class work force, aided by technological innovations and process improvements, is focused on providing top-notch customer service.

DLA Customer Support

Commander-in-Chief (CINC) Liaisons serve as DLA's primary focal points for disseminating, coordinating, and tracking warfighter issues and concerns to and from DLA, as well as incorporating DLA support into CINC war plans. DLA's liaison offices work directly and continuously with the Joint Chiefs of Staff, U.S. European Command and U.S. Forces, Korea, and in the planning activities of the other Unified Commands.

Early Contract Administration Services (CAS) Program

This program teams DLA acquisition professionals with the military services weapon systems

program managers prior to contract award. The benefits have been numerous, ranging from shorter procurement cycle times to lower acquisition costs. Demand for Early CAS grew from 12 actions in 1994 to over 300 actions in 1998.

Acquisition

DLA's acquisition professionals are keenly aware of the need to procure top-quality products, at the best value, for our customers. The Defense Contract Management Command's (DCMC) 26 customer liaisons work hand-in-hand with customers in all phases of the acquisition process. They are stationed at Army, Navy and Air Force customer

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buying commands and with other DoD agencies. The insights gained working hand-in-hand with customers help to increase understanding of customer priorities and warfighter's needs.

Contracting Integrity

DLA is a leader in pursuing civil and contractual remedies against contractors who defraud the United States. In 1998, DLA participated with other DoD organizations and the Department of Justice to recover over \$400 million.

Materiel Management

The Defense Logistics Support Command (DLSC) has a network of 64 customer support representatives (CSR) around the world, programmed to grow to 70 CSRs. They are co-located strategically with service major command program activities, maintenance sites, and at warfighter unit locations. Maintaining daily customer contact allows CSRs to serve as the communication links and logistics system functional integrators for DLA support to the military services.

Exercises and Contingencies

The DLA Contingency Support Team (DCST) concept provides frontline support in commodity distribution information and tracking, fuels management, property and hazardous waste disposal and contract administration services, tailored to the need. The DCST concept was built on experience gained in Operation Desert Storm, and used in Somalia, Haiti, and Bosnia. DLA



goes with the warfighters when they deploy; from supporting Operation Joint Endeavor/Guard/Forge, in Bosnia, since 1995, to supporting the Commander in Chief, Southern Command, in a two-month humanitarian mission following Hurricane Mitch.

In fiscal 1998, DLA supported more than eight exercises worldwide, including Agile Lion and Brave Knight in Europe, Bright Star in Africa, Ulchi Focus Lens in Korea, and Positive Force, a Joint Chiefs of Staff Headquarters exercise. DLA provides the CINC with a direct link to the wholesale logistics system, expediting high priority repair parts, resourcing food, fuel, and other commodities, providing disposal services and, if requested, contingency contract administration services. In 1999, DLA is scheduled to participate in more than 12 exercises, strengthening the bond between the Agency and America's warfighters and providing the

"We've become an integral part of the warfighting team. Today, we provide 100 percent of the food, clothing, medical supplies and fuel, for all the Services. We provide 83 percent of the spare parts. We've become linked to the warfighter in a way that we never would have imagined five years ago."

***Lt. Gen. Henry T. Glisson
Director, DLA***



opportunity to test new ways of providing world class combat logistics support.

Serving Customers Better, Faster, Cheaper

By integrating new technology with existing systems and programs, DLA is constantly improving how Agency customers “see,” order, track, pay for and ultimately dispose of DLA supported material and services.

Integrated Customer Support Structure (ICSS)

Contacting DLA has never been

easier. The first phase of the ICSS implementation was the toll free number, 1-877 “DLA CALL,” implemented in July. For the first time, military service customers have the capability of dialing one number to access all of DLA’s major activities. Future enhancements to the system will integrate existing databases to provide real-time order status and improved research tools for both DLA employees and customers.

World Wide Web

At DLA, we’ve implemented a number of programs which take advantage of the speed and conve-

nience of the World Wide Web. A single Web address, www.dla.mil, provides information on any DLA activity.

DoD Electronic Mall (EMALL)

DLA’s Joint Electronic Commerce Program Office (JECPO) was the first in DoD to develop and host the EMALL, a fully integrated, web-enabled storefront containing over two million items. The EMALL is the single electronic entry point via the Internet to find and acquire off-the-shelf, finished goods and items that are readily available from commercial catalogs.

The capability to find items quickly on the EMALL has been dramatically improved by allowing search capabilities, which include part number, National Stock Number, keyword, catalog number, supplier search, federal classification, and specialized graphic searches when little or no information is known about the item.

Joint Total Asset Visibility (JTAV)

JTAV provides unified commands, the military services, and other DoD corporate users with timely and accurate data on the location, movement, status, and identity of units, personnel, equipment and supplies.

Peacekeeping and Humanitarian Support

Operation Joint Forge (Bosnia)

- ◆ 387 personnel deployed
- ◆ Nearly 923,000 requisitions filled, valued at \$298.9 million
- ◆ Provided over 35 million gallons of fuel, worth over \$30 million, to multinational peacekeepers from 16 nations
- ◆ \$908.8 million worth of subsistence contracts to feed the troops and operate the camps

Hurricane Mitch: El Salvador, Joint Task Force Aguila, Dec 98-Jan 99

Clothing & Textiles:	346 requisitions processed, worth \$313,000
Medical:	1,494 requisitions \$1.45 million
Subsistence:	76 requisitions \$3.4 million
Industrial Items:	1,789 requisitions \$471,000
Repair Parts:	10,810 requisitions for \$11.7 million
Fuel:	\$432,000



The DoD EMALL

- ◆ EMALL registrants at 728
- ◆ Sales in fiscal 1998 \$21.7 million
- ◆ Six catalog vendors offering over 300,000 products, with 2 million products from DLA

Shipping Customer Orders

In this era of lean logistics, DLA customers don't keep a lot of stock on their shelves. More and more, they rely on DLA to get the parts delivered on time, every time. DLA distribution depots reached new levels of efficiency in 1998, getting the product out the door and on the way to the customer in record time.

Improvements in the delivery process, on the ground and in the air, help speed the orders to the customer. For instance, defense depots commit trucks to specific customers, or to a route composed of many customers, allowing scheduled pickups and deliveries of routine parts. For high priority orders, air express is the delivery service of choice.

DLA and Federal Express have partnered to provide direct, door-to-door delivery on more than 5,000 specific items housed at the Premium Service facility, co-located with FedEx's Memphis, Tenn., hub. Orders received by midnight can be delivered to U.S. customers by 10:30 a.m. the next day and customers can track the progress of their order via the World Wide Web.

Managing Disposal for DoD

In its efforts to reuse, transfer, and donate defense materiel which is no longer needed, the Defense

Reutilization and Marketing Service (DRMS) has placed its entire inventory on the World Wide Web. Through the introduction of electronic screening and ordering of excess items, over 81,000 items were processed for reuse via the Internet in 1998. This initiative contributed to a record-breaking \$4.88 billion in sales.

DRMS's capability to provide remediation and disposal support for contingencies and other special closures is embedded in its Reserve Disposal Remediation Teams (DRT). DRTs have deployed to Haiti, the Balkans, and other U.S. and overseas locations. One notable ongoing effort is DRMS support of the Panama Treaty Implementation, which began in fiscal 1998, with the deployment of three DLA Reservists. By the end of 1999, the DRTs will process more than 170,000 line items for disposal, as U.S. troops depart the Panama Canal Zone.

DLA's Foreign Military Sales (FMS) Growing

FMS business grew over 50 percent in the last five years. Over 900 foreign representatives visited DLA last year, and over 100 countries and international organizations did business with DLA. In fiscal 1998, DLA filled nearly 730,000

FMS requisitions, worth nearly \$657 million in sales. The DLSC International Team worked to improve FMS policy and procedures in 1998, from enhancing transportation procedures, to finding systematic solutions for requisition and backorder issues in Saudi Arabia, to drafting a Master Plan for FMS programs.

Listening, Learning and Responding

It is critical to keep up with customers' changing needs, and to educate them on DLA's constantly evolving mission. DLA uses customer surveys and workshops, along with DLA publications, to listen to customers and let them know about DLA programs.

This magazine, along with *DLSC's Loglines* and the *DCMC Communicator*, highlight DLA initiatives, products and services. DLA's field activities also publish guides and updates for their specialty customers.

This year, DCMC expanded the Common Metrics program, used by contract management professionals to track key performance in areas that are valuable to the customer and DCMC. The program now includes all military services and DLA inventory control points, and has proven to be tremendously successful. Logistics professionals employ a quarterly survey to identify areas of customer concern and overall customer satisfaction. The satisfaction rate has improved steadily over the past few years, and DLA continues to focus on reaching a 90 percent satisfaction rate. DLA hosted "Service Days" with the Air Force, Navy, Marine Corps, and Army, focusing on mutual readiness issues. In addition, five workshops and expos were sponsored around the country, using demonstrations and instructional workshops. ■

Revolutionizing Our Business

The Defense Logistics Agency (DLA) remains firmly focused on supporting the warfighter. The process of providing that support though, has undergone a tremendous revolution; shifting from managing inventories to managing information across the supply chain; from managing supplies to managing suppliers; and from buying inventory to buying response time. The warfighter ultimately benefits from this revolution in business affairs. DLA's efficiencies will produce savings so resources can be redirected into weapons systems and improving the readiness of the forces.

Infrastructure Reductions

DLA's own initiatives of reinvention and reduction, coupled with Base Realignment and Closure (BRAC) requirements, have created a new organizational structure. In keeping with the Department of Defense's (DoD) Reform Initiatives to "Consolidate and Eliminate," DLA has and will continue to aggressively seek smarter, less expensive and more responsive ways to streamline operations. Three key infrastructure reductions are yielding significant savings:

- ◆ **Defense Distribution Center, New Cumberland, Pa.,** was created by consolidating two separate distribution regions. This action reduced distribution management staff needs by approximately 850 positions, eliminated redundant functions and excess office space requirements, and resulted in programmed savings of up to \$11 million a year.
- ◆ **Defense Reutilization and Marketing Services (DRMS)** merged its East and West regions into its headquarters in Battle Creek, Mich., and reduced the number of separate Defense Reutilization and Marketing Offices (DRMO) from 138 to 68. These actions resulted in

savings of approximately \$35 to \$40 million per year. Further, to ensure better control of the demilitarization of sensitive excess property, DRMS has centralized the function from 123 sites to 12.

- ◆ **Human Resources Community Regionalization.** In April 1998, the Human Resources Operations Center (HROC) opened its facility at the Defense Supply Center Columbus. The HROC is responsible for personnel records data entry, staffing, benefits, reporting, filing, and recurring maintenance work formerly performed by eight separate civilian personnel offices. Nine civilian personnel offices were consolidated into eight much smaller customer service units that provide on-site advice and assistance.

Inventory Reductions

Since the early 1990s, DLA has reduced wholesale and retail inventories by 59 percent, logistics response times by 90 percent and distribution workload by 20 to 30 percent. This enabled the Agency to reduce storage space required by 70 million cubic feet.

Excess Government-Owned Property

In 1998, DLA began to look at

reducing the over \$89 billion of government-owned property at defense contractor facilities. The Defense Contract Management Command (DCMC) is lead agent for DoD's Management Reform Memorandum #5, Disposal of Excess Government-Owned Property, eliminating excess where the value does not surpass the cost of ownership. The Command has reviewed 1,300 contracts having \$3 million or more in government equipment, special tooling, test equipment, and material. As a result, property reported for disposal is at a two-year high.

Public/Private Competition—A-76

The Office of Management and Budget (OMB) Circular A-76, "Performance of Commercial Activities," provides a framework of competition between the public and private sectors, to determine whether activities should be performed by commercial sources, in-house—using government facilities and personnel, or through Inter-Service Support Agreements.

DLA has taken action to implement the A-76 process with its distribution depots and its DRMOs. In 1998, the Agency began the public-private competition for operation of three distribution depots—out of 16 to be competed—and for selected functions at 10 DRMOs. In March 1999, DLA announced the competition of another six depots and established the long-range competition schedule for the remaining depots.

While the bulk of the planning is accomplished by the Defense Logistics Support Command (DLSC), DCMC provides assistance and expertise to the acquisition teams running the competitions. Once the contracts are awarded for performance of the depot or DRMO



operations, DCMC will administer them. The experience DCMC has gained in administering competitively-sourced work at Air Force Air Logistics Centers is expected to smooth the A-76 process for DLA.

Commercial Practices

Adoption of commercial practices to achieve world-class standards of performance is serious business at DLA. The Agency has been pursuing continuous improvement through adoption and adaptation of the processes American business uses throughout many industries.

DLSC initiatives in this area include:

Prime Vendor Programs

These are a prominent example of the shift to best commercial practices. They establish contracts for long-term trading partnerships where DLA manages the relationship between the customer and the vendor, rather than managing commodities. DLA's leveraged buying power allows customers to take advantage of lower prices without investing in inventories. Orders are placed via electronic ordering systems and deliveries go directly to the customer. The benefits

"Efficient business practices and reduced overhead not only free up resources, they also contribute directly to the transformation of the department's support structure...the old philosophy was the big eat the small. Now, it's the fast eat the slow. My goal is for the Defense Department to be fast and lean. We must be competitive."

William S. Cohen
Secretary of Defense



are a shortened and tighter logistics support chain, with provisions for “surge” and “sustainability” requirements. Prime Vendor ensures warfighters will have what they need, when they need it.

The prime vendor programs include Subsistence Prime Vendor, a full-service supply-chain manager of food products; Industrial Prime Vendor, supplying nuts, bolts, fasteners and other hardware items; Maintenance, Repair and Operations, providing facility maintenance support; Lumber Prime Vendor; Prime Vendor Overseas, locates and provides commercial and military replacement parts for vehicles, engines, transmissions; Direct Vendor Delivery of Office Supplies; and Clothing and Textiles Virtual Prime Vendor Program, a future initiative which will reduce inventories of “Recruit Clothing Bag” items. By contracting to receive, store, and distribute these items, the Defense Support Center Philadelphia (DSCP) expects to reduce inventories by \$6 million the first year, \$12 million the second year, and as much as \$21 million every year thereafter.

DLA, teaming with an Item Management Team from DSCP and an In Process Review Team, has also developed a prime vendor program

for ecclesiastical supplies. After surveying a customer base of over 6,000 chaplains, the team developed a listing of over 950 customer items. DSCP signed its first Prime Vendor Contract for Christian supplies in January 1999 and hopes to sign three more contracts for Jewish, Muslim and Tactical items by the last quarter of fiscal 1999.

Ecclesiastical items are sold through a the World Wide Web at www.cio.dla.mil/hqchaplain/supplies.htm. Since its integration, the program has saved the military services over \$98,000 and is projected to save over \$3 million over the next five years. Items available on the web site include altar linens and cloths, crosses, hymnals, bibles and candles.

Corporate Contracts

This initiative aggregates the requirements of one or more supply centers for items from a single source of supply. These long term contracts with a single vendor eliminate sometimes redundant contracting actions and provide the opportunity gain access to a vendor’s entire list of items for sale. The vendor uses its normal inventory management practices, including storage,

handling and delivery, then when DLA has a requirement, we tap into those inventories and have the items delivered directly. Using this technique with Bell Helicopter, the Agency was able to reduce normal delivery time from 270 to eight days; availability of items rose from 86 percent to 96 percent, and we obtained a 70 percent discount from the company’s commercial prices.

Outsourcing

A number of DLA activities have recently been “outsourced,” or awarded to private contractors. The contracted areas range from single functions to entire depot operations.

The Defense Logistics Information Service (DLIS) outsourced a key portion of its Customer Support Center to the National Industries for the Severely Handicapped. The center handles 5,000 calls, 200 faxes, and 275 emails per week. DLIS has recently expanded the contract, which has freed higher graded call agents to handle more complex, difficult calls that require extensive research.

In one of the largest outsourcing efforts in DoD, DLA contracted out operations at the Defense Distribution Depot at Kelly Air Force Base, Texas. Currently due to close in 2001, the depot supports the Air Force’s engine and aircraft maintenance and repair activities at San Antonio Air Logistics Center. This



contract offers the assurance of continued high quality service to the Air Force, while helping former DLA employee's transition to private sector jobs.

Energy Management

Early in 1998, Defense Reform Initiative Directive #21 expanded DLA's Defense Energy Support Center's (DESC) duties to include the consolidation of DoD's energy needs, and tasked DESC to develop three regional Energy Demonstration Projects. DLA's focus was on reengineering commodity purchase processes, aggregating regional commodity contracts, and on buying energy rather than commodities. The success of the three projects places DLA in a position to accept an expanded role in DoD energy management.

DCMC's initiatives include:

Unit Cost Management (UCM)

To ensure tax dollars are spent wisely, DCMC developed and began implementing a new method of managing costs and performance. The UCM system was tested in fiscal 1998, and is being expanded to an Activity Based Management System. Unit cost is built on DCMC's labor accounting system, which categorizes cost by process and program/service. Changing to UCM makes DCMC fully accountable to its customers, aids in refining performance goals and developing aggressive, but achievable cost reduction targets. Based on the success of the 1998 test, implementation of UCM across DCMC began in 1999.

Management Reform Memorandum (MRM) #10

This MRM, Redesigning DoD Source Acceptance Policies and Procedures, seeks to adopt less costly



commercial processes to accept delivery of defense items from the contractor. There are 1.8 million separate stock items that must be inspected and accepted by government quality assurance representatives at contractors' facilities, a costly process. In this ongoing effort, the Services and DLA have already removed the requirement for Government Source Inspection from nearly 150,000 items, or 36 percent of those reviewed. The team is conducting studies in search of appropriate alternative methods of assuring quality.

Paperfree Contracting

DoD's MRM #2, Moving to a Paperfree Contracting Process, cites January 2000, as the date when DoD will be nearly paper-free in contract writing, administration, finance, and auditing. Paperless contracting is faster, less expensive, simpler, and makes contract information more accessible to the contracting community. By May 1998, the Command met its goal of electronically processing 90 percent of all Administrative Contracting Officer Modifications.

Single Process Initiative (SPI)

In order to implement DoD's Civil Military Integration initiative, DCMC works very closely with the Defense industry to convert processes from military specifications to common or commercial practices. SPI is eliminating the distinction between doing business with DoD and doing business commercially, and has achieved savings or avoidances of over half a billion dollars.

Product Verification and Testing Programs

These activities saved over \$85 million in fiscal 1998, primarily resulting from legal settlements and recoupments from contractors for supplying nonconforming products. The successful product tests improved the quality and performance of items ranging from specific aircraft assemblies to connectors. The tests were performed for customers around the world, including troops in Bosnia and the Defense Criminal Investigative Services.

The Joint Electronic Commerce Program Office's (JECPO) initiatives include:

"Smart" Cards

JECPO is working to expand the use of smart card technology, focusing on transportation passenger manifesting functions and providing fast, accurate In Transit Visibility data, while dramatically decreasing manifesting times. In addition, DESC has implemented Air Card, a credit card which electronically captures data and eliminates paper transactions for military and federal agency aircraft refueling at commercial airports. Air Card has resulted in actual savings of \$4 million over a

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Technology

Information Technology (IT) is the key enabler to delivering world class integrated life cycle support and service solutions to the Defense Logistic Agency's (DLA) customers. IT provides visibility and access to customers and their needs, global inventories, contractual information, and manufacturing capabilities, substantially increasing the speed and effectiveness with which we communicate, receive, and assimilate information. In 1998, DLA made considerable progress in planning, modernizing, and implementing technological solutions to logistics challenges.

Information Technology Planning and Implementation

DLA's corporate-strategic Information Technology Plan and DLA Information Technology Architecture Guidelines identify 62 IT objectives and point the Agency toward improvements in technology architecture standards, product delivery and employee development. These two publications are critical guides to DLA implementation of IT systems and set the technical standards necessary to meet DLA and the Department of Defense (DoD) requirements for performance, interoperability, flexibility and reliability. They are at www.cio.dla.mil/newlib.html.

Approved by the Joint Logistics Commanders (service and DLA logistics commanders), and chaired by DLA, the Joint Group for Web Initiatives encourages joint use applications for conducting DoD business on the World Wide Web. The scope includes all Internet DoD business and communications between suppliers/providers and customers.

Information Assurance

The DLA Information Assurance Working Group has prepared a detailed plan for protecting the Agency's information assets. The Computer Emergency Response

Team, Columbus, Ohio, handles DLA's computer security incidents. DLA also joined the Assistant Secretary of Defense for Command, Control, Communications and the Intelligence Information Assurance Group to plan, review, and synchronize development and implementation of information assurance policies and budgets for DoD.

Nearly 100 percent of the Agency's mission critical systems were Y2K compliant by December 1998. The Agency prepared Y2K contingency plans addressing risk areas and solutions, in case the military services and suppliers are impacted by Y2K issues. Finally, DLA is coordinating an agreement with Defense Information Systems Agency to test certain DLA systems for Y2K compliance and has developed a test certification process.

Enabling our Customers and Suppliers

Technology solutions are helping DLA's quest to constantly improve Agency customer and vendor relationships. Smart Cards, Paperless Contracting, the World Wide Web and the Electronic Mall are improving customer service and revolutionizing business methods. Through user-friendly programs that draw information from legacy systems, and through development of new systems, DLA continues to make

technological improvements in acquisition, supply management, asset visibility, and document automation.

Acquisition

The Joint Electronic Commerce Program Office (JECPO) has developed a "single face to industry" for all DoD open solicitations. This new web site, <http://dodbusopps.com>, was designed to give DoD's vendor community one place on the Internet to find out all DoD business opportunities. It will soon link to all DoD Internet sites that display solicitations, providing the user with search capability to view the solicitation, as well as links to on-line resources that allow the vendor to bid on the solicitation. The web page was recognized as the Center of Excellence for Information Technology in February 1999. Operational since mid-March 1999, in less than one month it reached 90,000 web hits.

Electronic Data Interchange (EDI)

EDI paperless transactions, faster payments and streamlined operations are all direct results of EDI modernization and implementation. For example, DLA's Defense Energy Support Center (DESC) conducts nearly half of all bulk petroleum transactions, with 15 major suppliers, via EDI. The Defense Reutilization and Marketing Service (DRMS) customers can view 600,000 line items via the WWW, submit on-line Military Standard Requisitioning and Issue Procedures requisition—over 87,000 in 1998 and sealed bids—36,000 in 1998. The Agency's many Prime Vendor programs use elec-



tronic ordering systems to link suppliers and customers. EDI will continue to grow, and DLA is positioning its operations to take full advantage of this technology.

Electronic Document Access (EDA)

DLA partnered with other Defense Agencies and the military services in the implementation and expansion of EDA. EDA provides shared access to contract documents, on-line storage and retrieval of post award contracts, contract modifications, government bills of lading for both personal property and freight, and vouchers. Benefits include reduced unmatched disbursements, reduced paper consumption and increased convenience. In the future the system will be extended to provide vendors access to their contracts.

Central Contractor Registration (CCR)

Defense Logistics Information Service (DLIS) created a centralized database of contractors who wish to conduct business with the government. Defense Federal Acquisition Regulations require registration prior

"I am a firm believer that skillful use of information technology resources gives us the edge in achieving military logistics excellence. The right tools in expert hands always improve the results. Count on DLA to anticipate the challenges of warfare in a brand new century. We must be focused in our purpose, aggressive in meeting new challenges and untiring in our quest for technological knowledge and superiority."

***Lt. Gen. Henry T. Glisson
Director, DLA***



availability, status and cost, and gives buyers and inventory managers access to a slice of industrial items in the national inventory. It contains current data and competitive prices for industrial items, over 300,000 records and 60,000 unique national stock numbers.

Document Automation

DLA's Defense Automated Printing Service (DAPS) is leading the way for automation of DoD documents, from forms to training materials. The cost savings gained from digitizing documents amount to hundreds of thousands of dollars.

Enabling Operations

The volume of DLA's business continues to grow, while the size of the Agency's work force continues to decrease. DLA always seeks innovative uses of technology to improve the Agency's effectiveness and efficiency, in acquisition, supply management, contingencies, and daily operations.

In Acquisition

The Defense Contract Management Command (DCMC) is the Program Executive Officer for the DoD Standard Procurement System (SPS)— SPS standardizes the way DoD procures and administers contracts. When complete, SPS will be a single DoD software application and database for over 44,000 procurement professionals. It will provide a uniform DoD solution to

Joint-Service requirements for automated procurement functions, while retaining sufficient flexibility to be adapted to unique military service and Agency needs. In 1998, 9,000 users obtained the software, 6,000 were trained and 4,000 are using SPS at over 230 sites.

Shared Data Warehouse (SDW) is a DoD initiative and an integral part of SPS. SDW provides a common repository for DCMC contract management and financial information accessibility. Production surveillance, quality assurance, property systems, common metrics, payment and invoice information, contract and modification data are or will be included in the database.

The Defense Reform Initiative Directive #47, Development of an End-to-End 'To-Be' Procurement Process Model will provide a roadmap of critical links and interfaces between systems that support paperless procurement. DCMC is co-chairing this effort, with the Defense Finance and Accounting Service. The model, begun in late 1998 and scheduled for completion in early 1999, will help define interfaces and data transaction requirements in the years 2000-2001.

Inventory managers, transportation specialists and procurement specialists in DESC use the Bid Evaluation Model (BEM) database to determine the overall lowest laid-down cost for more than \$4 billion worth of annual fuel contracts. With so many cost factors involved in the process, the BEM establishes the most economical contract by evaluating contractor offers against identifiable costs other than the base cost of the product, analyzing millions of possible award patterns. A bid evaluation now takes 20 minutes to run rather than 24 hours under the old batch system process. This automated system holds great

to award of any contract or purchasing agreement. The database contains contractor specific information and electronic funds transfer information necessary for the government to award contracts. Through aggressive marketing of CCR to the vendor community and initiation of user-friendly registration procedures, DLIS achieved phenomenal growth in the database in 1998, to more than 113,000 contractors.

Supply Management

A wide range of programs has been introduced which help customers and suppliers research and manage information about supply availability, status, and cost, electronically.

Inventory Locator Network

Defense Supply Center Philadelphia's (DSCP) Inventory Location Network researches and manages information about supply

promise for use by other DESC programs. The BEM enhancement team received the Hammer Award for this innovative, cost savings initiative. The ability to pick the best solution and award within the space of minutes will allow DESC to continue to expand its mission critical component of the long-term corporate goal of making DESC not just the buyer of fuel, but the buyer of energy for the government.

In Supply Management

DLA deployed a single DoD Distribution Standard System (DSS), achieving final operational capability in September 1998. Today, DSS provides the automation support for the operation of 20 distribution depots. Leveraging technology through the use of radio frequency technology, bar code scanners, personal computers, printers, and telecommunications networks, DSS provides the capability for "paperless" warehouse operations and real-time process control. This includes a web site, <http://mrostatus.ogden.disa.mil/mrostatus>, available to all customers in the .mil and .gov domains. The site allows the user to obtain the current status of their requisition, including all the information needed to locate where the order is currently, how it was shipped, and how to track it. It also provides a modular system capable of quickly responding to



changes in business processes, and is Y2K compliant.

As a result of replacing seven redundant systems with one standard system, DSS life-cycle benefits are approximately \$500 million over eleven years. DSS improvements permitted a reduction in depot manning by 247 full time employees (\$117 million), and reduced software maintenance and system support costs (\$353 million). Total savings in 1998 amounted to \$44. 6 million.

More importantly, DSS provides improved inventory accuracy and reduced response times necessary to meet critical requirements for America's warfighters. DSS is a

robust system that allows depots to attain one-day processing for all Material Release Orders. Because of the success in supporting our Continental U.S. depots, DSS is now being deployed to Germersheim, Germany, and to

Navy depots in Hawaii and Japan. In September 1998, DSS received Vice President Gore's National Partnership for Reinventing Government Hammer Award.

Automatic Information Technology and DRMS

DRMS and DLA's Office of Research and Resource Analysis tested the addition of a radio input device to the current DRMS bar coding system. Integrating radio frequency technology with bar coding allows DRMS personnel to perform all receiving functions using a hand-held device that transmits data directly to a computer, rather than scanning the items and returning to a workstation to download the information. DRMS will expand the system to six locations in 1999.

In Contingencies

With the Worldwide Web Industrial Capabilities Assessment Program (WICAP), DLA can better gauge the manufacturing and inventory resources available during crisis situations by using WICAP. This program collects information from the private sector and aids in DoD's strategic planning mission. Continual movement from huge

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Partnerships

The Defense Logistics Agency (DLA) aggressively pursues partnerships with industry and other government organizations. Building long-term relationships based on quality products and services provides DLA with durable solutions to logistics challenges, in peace and at war. Partnering with the military services, other federal agencies and industry, gives DLA a unique understanding of the warfighter's needs and industry's ability to fill those needs. The Agency has expanded existing relationships and formed new ones, all aimed at supporting the warfighters, around the world, around the clock.

With Industry

Partnering with industry is an integral part of revolutionizing DLA's operations. Programs such as Prime Vendor, Vendor Managed Inventory, Energy Demonstration Projects, and Premium Service are important examples of the role industry partnerships play in DLA's ongoing business revolution.

Applying the partnering concept to reutilization and marketing, the Defense Reutilization and Marketing Service (DRMS) awarded its first Commercial Venture contract in 1998, making Levy Latham Global responsible for the sale of items in 312 Federal Supply Classes, or about 35 percent of the total DRMS

inventory. This five-year partnership is expected to both reduce the cost of sales for excess property and increase revenue. DRMS also utilizes a Task Order Contract for on-site inspections of select hazardous property at treatment and storage facilities, buyers' locations, and other locations as needed.

DRMS is improving property management for the Department of Defense (DoD) through their Demanufacturing Contract. This type of contract assures compliant disposal of hazardous components, meets DoD's demilitarization requirements, maximizes monetary return through the sale of commercially available components and scrap



and enables DRMS to reduce its infrastructure. Contractors are held to stringent technical standards for environmental compliance, safety and security, positioning DRMS as a leader in the federal government for electronic asset management. DRMS is in the process of partnering with the General Services Administration (GSA) to offer demanufacturing contract services to other federal agencies.

Pollution prevention has been the environmental initiative of the 1990s. Reduction in the amount of hazardous material needing disposal is the top priority. The DRMS's "Return to Manufacturer" program assists the military services in meeting this priority. When hazardous material survives the Reutilization/Transfer/Donation/Sales cycle, DRMS will contact the original manufacturer, and/or other manufacturers and recyclers, and offer to return the item for recycling, reuse, or reprocessing. Since program implementation, DRMS has saved over \$500,000 in potential hazardous waste disposal costs for their generators and DoD.

The Defense Supply Center Columbus (DSCC) and Deutsch Manufacturing found an innovative way to reduce backorders by using a line of balance technique. The effort reduced 900 backorders to 222, corrected all but two of 22 backordered national stock number (NSN) items and prevented 10 potential backorder problems. In fact, those 10 items shipped ahead of the original delivery dates. High priority backorders decreased 20 percent and overall, backorders dropped a substantial 75 percent.



Based on this success, DSCC expanded its effort to include nine other suppliers.

With the military services

DLA and the Joint Strike Fighter (JSF) Program are revolutionizing the management of the supplier chain with a program known as Supplier Utilization through Responsive Grouped Enterprises. The program's goals are to improve the availability of parts for production, more efficiently supply wartime and peacetime military operations, and reduce life-cycle costs, by arranging production based on similarity of production processes. The contract, awarded to Lockheed Martin Logistics Services in August 1998, sets the stage for DLA to purchase JSF parts at reduced costs, with dramatically improved production lead times and surge responsiveness.

The Air Force C-17 Systems Program Office awarded the initial C-17 Flexible Sustainment contract to Boeing in the first quarter of fiscal 1998. The Air Force, Boeing, and the Defense Logistics Support Command (DLSC) have been

"I thought the onus was on the government to try and take the lead and leverage the commercial marketplace wherever we could so if they had great ideas and great packages—and they have many—that we ought to try and see how we could fit them in and adapt them to our way of doing things."

***Lt. Gen. Henry T. Glisson,
Director, DLA
Federal Electronic
Commerce Report,
October 1998***



working in integrated product teams for the past several years to formulate the flexible sustainment concept. The goal is to achieve improvements in logistics support and mission readiness while reducing operating and support costs. Eventually, Boeing will be responsible for providing most weapon systems sustainment under a single prime contract. Until then, DLSC's Defense Supply Centers will continue to manage and supply all common consumable items and those unique consumable items where DLA remains the best value.

Army Program Management Offices plan to award many partnership contracts in 1999. One excellent example of DLA's support from start to finish is the Apache Prime Vendor Support contract. This pilot program's goal is to achieve improved logistics support and mission readiness, while reducing operating and support costs. DLSC is participating in integrated process teams, request for proposal preparation, contract negotiations, and contract formulation, and will be forming partnerships with the Army and the prime contractors to be a preferred supplier of consumable items.

DLSC joined the Navy's Deputy Commander for Fleet Logistics in

for the physical distribution function at Navy Fleet Industrial Support Centers at Pearl Harbor, Hawaii, and Yokosuka, Japan, as well as other partnership sites in October 1999. Sharing facility costs, eliminating special Navy processing, and converting Navy retail inventory to DLA wholesale inventory is expected to reap a potential \$131 million in savings for the Navy.

The Services and DLA have joined together to implement the Okinawa Initiatives, a variety of innovative programs to improve logistics support to service members in Japan. The joint forces in Okinawa have begun a coordinated reengineering effort to reduce inventories, increase readiness, lower costs and increase customer satisfaction. Many of the initiatives fall under DLA's Prime Vendor programs and offer opportunities for the Agency to showcase its capabilities in the joint, Pacific environment.

DLSC assisted the Air Force's Ogden Air Logistics Center in preparing the Ogden/Boeing Team's Bid

recommending establishment of a joint team to address supply distribution outside the continental U.S. The team reported their findings in September 1998, and received approval for DLA to assume responsibility

Package for the Sacramento Air Logistics Center Workload Public - Private Competition. DLSC will provide consumable parts support to Ogden and Boeing. The proposal will save the Air Force \$638 million over the life of the contract.

Federal & State Agencies

Environmental Cleanup Agreements

DLA and its Service counterparts have formed innovative agreements to protect and restore the environment. In Pennsylvania, the first ever DoD/state restoration agreement was reached in 1998. The agreement creates a partnership between Pennsylvania and DoD, providing a mechanism to prioritize cleanup efforts and receive numerous forms of support from the state regulatory agency. This agreement emphasizes cooperation. Other states are actively seeking similar arrangements based on the successes of the Pennsylvania program.

Recycling Control Point (RCP)

The RCP was developed to electronically process wholesale depot excess property. DRMS teamed with GSA in 1998 to improve the RCP program during a pilot project at



Defense Depot Susquehanna, Pennsylvania. This project focused on increasing customer acceptance of the program. One of the major benefits to the customer was improved access and expanded information on the DRMS web site and GSA's Federal Disposal System. DLA hopes to implement the joint program across the depot system.

Offsite

In February 1998, DLA and the U.S. Army Training and Doctrine Command Analysis Center-Monterey, teamed up to produce OffSite, an automated software system to choose the least expensive meeting location for geographically dispersed federal employees. Event planners provide minimal input and receive information on ideal site selection for collective training events, meetings, or conferences. DLA designated OffSite as the Federal Travel Optimization Reinvention Lab. More than 15 federal agencies are now using OffSite, and Government Executive Magazine recognized the site's developer as Travel Manager of the Year for 1998.

Since the federal government spends more than \$8 billion annually on travel, the potential savings are in the tens of millions of dollars. OffSite is available via the Internet at www.dscr.dla.mil/dorra/offsite/homepage.htm.

Medical supplies

The Defense Supply Center Philadelphia (DSCP) and the Department of Veteran's Affairs (VA) have successfully partnered to combine their medical supply requirements in order to negotiate better prices. This has allowed the two agencies to leverage greater buying power for better deals and it has reduced redundant procurement activities. VA's support of its ample patient base is improved; DLA's support of the active forces is



strengthened.

Supply items

DLA has actively partnered with agencies affiliated with the National Industries of the Blind (NIB) and the National Industries for the Severely Handicapped (NISH) to deliver a wide variety of supply items to our customers. These agencies participate in some of the leading-edge procurement techniques used throughout DLA with the same outstanding results. From electric lamps and prepared food products to uniform items like belts, buckles and ties, these agencies are showing what can be accomplished through government teaming with private enterprise and nonprofit organizations.

Food for children

The U.S. Department of Agriculture (USDA) and DLA's DSCP formed a partnership to provide fresh food for America's school children. Started as a pilot program four years ago, the program has grown from acquisitions of \$3.2 million the first year to \$34 million in the 1998-1999 school year.

USDA benefits from DoD/DLA acquisition and logistics networks,



providing fresh fruits and vegetables to schools in 39 states, Washington, D.C., and American schools in Guam. DSCP saves DoD and USDA approximately 30 percent over prices in local supermarkets. In addition, the DSCP produce network reduces delivery times to schools from several months to two or three days after order. ■

World Class Work Force

From a high of 65,000 people in 1992 down to less than 45,000 today, the Defense Logistics Agency (DLA) is committed to reaching a goal of fewer than 33,000 people by 2005. This will be the smallest DLA has been since 1962, a year after establishment. At the same time, DLA's missions continue to grow, which means that the Agency's work force is truly "doing more with less." DLA must provide its employees the tools for efficient and effective operations well into the next century. Involvement, training, development and empowerment of DLA employees are the keys to a world-class work force.

Civilians are the backbone of the Agency's work force. They are an experienced team, with knowledge and skills gained from many years in the acquisition and logistics management business. The active duty military staff members bring crucial service-unique perspectives to DLA. After completing assignments at DLA, active military members return to their respective service and help strengthen the Agency's ties to America's Armed Forces. DLA's Joint Reserve Force augments both the active military and civilian employees of DLA and multiplies mission support capabilities.

Commitment to Training

Training is essential to giving

DLA employees the tools they need to function effectively in a rapidly changing environment. The training offered includes a broad range of skills, from executive development to technical training. Some of the new DLA training tools for 1998 include the DLA Satellite Training Network, the Defense Logistics Support Command (DLSC) supply centers career guide, Training With Industry, and the Defense Contract Management Command (DCMC) Acquisition Intern Program.

Improving the Defense Acquisition Work Force Improvement Act (DAWIA) certification level of DLA's acquisition work force is a top priority of the Agency. For example, the ability of DLA's Joint Reserve

Force to participate in the Agency's mission and produce results is due not only to individual motivation and expertise, but also to training. DCMC reached a major milestone in 1998, as 100 percent of the Defense Contract Management District (DCMD)-



International Reservists became DAWIA certified.

DLA is committed to providing safe and healthful work conditions for our employees. The Safety and Health Information Reporting System (SHIRS) Users' Manual is available on the SHIRS Web site, at

www.caae.hq.dla.mil

The Agency published a Safety and Health

Program Evaluation Protocol, to

help field activities measure their safety programs. Finally, a two-year review of the Agency's occupational health services program was completed by the U.S. Army Center for Health Promotion and Preventive Medicine in 1998, with positive results and recommendations that will benefit all DLA employees.

To minimize the risk of terrorist actions against employees and operations, the Agency developed and implemented the Combating Terrorism Program. The programs goals are to protect personnel, facilities, assets and to provide a wide range of training for all DLA personnel.

DLA Contingency Support Teams (DCST)

DLA trains DCST members to live and work in remote, potentially hostile conditions, using three types of training: Individual, Technical, and Deployment. When deploying, DCST members are processed through the designated deployment training site, where they receive



equipment and theater-specific training.

Individual training includes wear and care of uniforms and equipment, weapons familiarization, force protection, Nuclear/Biological/Chemical Protection and first aid. In 1998 DLA evaluated a number of existing individual training courses, in order to find the best match for DLA teams. One course, the Survivability Enhancement Training (SET) course, developed and implemented by DLA's Reserve Readiness Team, prepared 93 Reservists for deployment last year. The SET course topics include combat first aid, field communication, land navigation, mine awareness and avoidance, unarmed combat, and weapons familiarization.

Technical training ensures team members are proficient in their area of expertise, and includes, as necessary, computer/communications training, logistics systems manipulation, hazardous waste disposal, quality assurance, and contingency contract administration. DLSC

"DLA has become a leader in government acquisition and logistics reform, and integrated-streamlined business solutions. We believe, and our customers believe, that the direction of the Agency is right on target. The common denominator to our success is our world class work force."

***Lt. Gen. Henry T. Glisson
Director, DLA***



teaches the DCST Technical Training Course, providing five days of intense, hands-on logistics systems training. The first class for potential DCST members was conducted in February 1999.

Commitment to Employees

In June 1998, DLA management representatives and the American Federation of Government Employees (AFGE) Council 169 of DLA Locals finalized a new partnership agreement that provides a joint foundation for achieving DLA business objectives and addressing employee concerns. As partners, the labor-management relationship is "committed to the open sharing of information at the earliest predecisional stage, thereby engendering mutual trust and respect to better serve our employ-

ees, implement the DLA Strategic Plan, and attain AFGE goals." As partners for the future, the DLA/AFGE Partnership council is committed to a better tomorrow through the actions taken today.

Commitment to employee satisfaction begins at the top. The Agency's "Pipeline to the Director" gives employees the opportunity to ask questions and address issues, via the DLA web site, www.dla.mil.

Quality of Life

DLA's Quality of Life program brings, under a single

umbrella, all the personnel and family support programs that are so important to maintaining a first-class, productive work force. Helping employees to deal with changes associated with both family and

workplace is an important contributor to employee satisfaction. Programs available include family support programs, morale, welfare and recreation and child and youth development programs.

Many DCMC employees work at contractor facilities, often far from government installations. For these employees, DCMC has developed a toll-free information and referral service, called DLA Life Connections. The service provides information on child care, educational opportunities, military health care, adoption, eldercare, and more. Call 1-800-837-4630.

The Employee Assistance Program (EAP)

DLA provides counseling and assistance to those needing help in dealing with a variety of personal issues as well as job stress and referral services. Last year, more than 75 percent of employee cases were resolved with EAP counselor assistance.

DLA's Joint Reserve Force (JRF) Provides Critical Mission Support

The JRF structure mirrors DLA's active duty organization. The Joint



Reserve Force Advisory Council, comprised of the senior DLA Reserve leaders, devises policy and provides guidance to the JRF for the successful completion of the Agency's Strategic Goals. In 1998, the JRF served side-by-side with their active duty counterparts across DLA to provide contingency, logistical, and contract management support.

Operational

Contingency & Exercise Support

DLA Reservists have routinely deployed to Operation Joint Endeavor/Guard/Forge in support of the Bosnia peacekeeping mission. In fact, they are responsible for filling 35 percent—139 of 387—of all DCST positions in that area of operations, since the DCST deployed in 1995. Through September 1998, 19 soldiers, 85 sailors and 41 airmen had deployed. During fiscal 1998 Reservists performed 5,123 days in a deployed status.

In addition, DLA Reservists deployed to Operation Southern Watch, to support enforcement of the no-fly zone in southern Iraq. Agency Reservists performed 162 days of contingency support to this mission, providing logistics and contract management support.

Members of the JRF deployed around the world in support of four exercises last fiscal year. They supported Exercise Positive Force, a year 2000 exercise, Exercises Reception, Staging, On-ward Movement and Integration, and Ulchi Focus Lens in the Pacific, and Bright Star in Africa.

Contributing to DLA's Daily Mission



JRF is currently working on an interactive web site that will enable DLA to quickly match and fill a mission requirement with real-time, updated information about a Reservist's capabilities, available at the click of the mouse. This is a significant management tool that will provide cohesiveness to the geographically disparate JRF team.

In 1998, DLA Reservists provided thousands of days of direct support to DLA gaining commands, in support of a score of major projects and many smaller projects. Notably, JRF members assisted in closing out over 10,000 contracts, resulting in current and future savings to DLA clients of more than \$300 million. In one specific example of contract management support, the JRF reviewed 30 active C-17 contracts, reviewing, identifying and deleting \$403,000 of obsolete requirements. Another JRF member performed over \$140 million in contract closeouts, uncovering \$15 million in errors.

Reservists applied skills learned in their civilian careers to developing databases for project management of x-ray and Ultrasound equipment contracts. They developed and

taught a course on electronic commerce, to help DLA's customers order clothing items more efficiently. JRF members assisted in establishing a WWW site to gather data on surge capability from manufacturers. They relocated material at Anniston Army Depot, Ala., and helped with the implementation of the Distribution Standard System at Albany, Ga., providing services such as inventory and stock consolidation. Reserve Disposal Remediation Teams continued to support Operation Joint Forge in Bosnia, while preparing for a massive effort in support of the Panama Canal Zone withdrawal in 1999.

New Mission

In 1998, DLA sponsored an initiative to use Reservists as Government Flight Representatives (GFR) at contractor facilities. Access to active duty personnel is becoming scarce. Reservists will be trained to step in to assume a portion of the Command's GFR workload. Tasked with managing the risk of loss assumed by the government during flight operations, GFRs are needed across the country. The program began with one Reservist, and is being expanded to 15 Air Force Reservists, to cover flight operations in both the East and West DCMDs. DCMC is working with DLA's Reserve Readiness Team to incorporate US Army Reservists as

New Missions

In the past year, the Defense Logistics Agency (DLA) gained a number of new missions and organizations. Transferred from elsewhere in the Department of Defense (DoD), resulting from DoD and DLA reengineering efforts, or due to Base Realignment and Closure (BRAC) decisions, several organizations were established or redesignated.

Defense Logistics Support Command (DLSC)

DLSC's Defense Logistics Services Center became the Defense Logistics Information Service (DLIS), located in Battle Creek, Mich. Beginning in 1998, and continuing through fiscal 2000, DLIS is assuming responsibility for all DoD cataloging. All DLA cataloging, previously performed by the inventory control points at Columbus, Ohio, Richmond, Va., and Philadelphia, Pa., will also be centralized at DLIS.

In February 1998, DLSC's Defense Fuel Supply Center was redesignated the Defense Energy Support Center (DESC). The name change was part of the DoD's Defense Reform Initiative Directive 21, which expanded the Center's mission to include consolidation of DoD's regional energy efforts. While DESC continues to supply more than \$3.7 billion in petroleum products to DoD and federal agencies, the Center's new mission includes building an electricity program and changing DoD's focus from the management of energy physical infrastructure to managing energy. DESC's implementation strategies are keyed to a triad of energy supply management, energy demand management, and DoD utility system privatization.

DESC's three Energy Demonstration Projects represent the first steps toward consolidating regional energy needs.

Joint Total Asset Visibility (JTAV)

The Executive Agency for JTAV transferred from the Department of the Army to DLA in June 1998. The JTAV Office is responsible for building and fielding an asset visibility capability that provides unified commands, the military services, and other DoD corporate users with timely and accurate data on the location, movement, status, and identity of units, personnel, equipment and supplies.

JTAV was initially started by supplying tailored databases to each unified command. Working with the Services, Defense Agencies, and prospective JTAV users worldwide, the JTAV Office is currently developing and testing the JTAV objective system architecture to support direct access to data sources. The JTAV objective system architecture is



recognized as the cornerstone of the Global Combat Support System data access strategy. The objective is to have an “any user, any box, anywhere” environment.

Joint Electronic Commerce Program (JECPO)

DLA joined forces with the Defense Information Systems Agency (DISA) in 1998 to form JECPO. DLA takes the lead on business developments, while DISA oversees technical development. Notable accomplishments by JECPO in 1998 include the opening of the DLA Electronic Mall (EMALL), significant progress in developing and promoting paperless contracting and technical data access, expansion of the Central Contractor Registry database, and consolidation of DoD “Smart” Card programs for electronic purchasing.

Maps

DLA assumed responsibility in April 1998 for inventory management, cataloging and distribution of more than 67,000 hard copy map products produced by the National Imagery and Mapping Agency. The transfer involved 196 civilian and 35 military employees, plus an annual budget of \$24.8 million, and was accomplished over an 18-month period. The existing inventory of map items, along with the supply system, were moved to Defense Supply Center Richmond (DSCR). The maps are managed and primarily distributed by DSCR, with overseas map storage points located in Germany and Hawaii. The Defense Distribution Center controls nine Map Support Offices: three in the Continental U.S. and six overseas. The production of map product catalogs was moved DLIS. DLA expects to save DoD an annual \$3.6

million in costs associated with these map support functions.

Printing

In a government-wide savings initiative, the General Services Administration transferred its printing and duplicating operations to DLA’s Defense Automated Printing Service (DAPS) in March 1998. In addition, DAPS assumed responsibility for electronic printing services, previously managed by the Defense Information Systems Agency. Under DAPS, benefits of the consolidation include modernization of production equipment and improvements in business processes, such as on-line ordering and credit card payment. The total annual savings, from reductions in personnel and consolidated operations, amount to \$31 million.

Defense Property Accountability System (DPAS)

The Deputy Secretary of Defense transferred responsibility to DLA for the oversight, control, and management of the day-to-day operations of DPAS in 1998. DPAS provides the Department with a single automated system for maintaining accountability of real and personal property. The system integrates the physical aspects with the financial aspects of property,



“DLA has a history of absorbing new missions with no additional resources and finding better, faster, cheaper ways to perform them. Our innovative, creative, extraordinary work force makes it happen.”

***Lt. Gen. Henry T. Glisson,
Director, DLA
Program Manager
July-August 1998***



and provides on-line access to property accountability and equipment management information.

Automatic Identification Technology (AIT)

DLA, as DoD Executive Agent for Logistics AIT, chartered the Logistics AIT Office. AIT uses a variety of read and write data storage technologies to store identification information, including bar codes, magnetic stripes, integrated circuit cards, optical memory cards and radio frequency identification tags. This office, working with U.S. European Command (EUCOM), Transportation Command, the services and other Defense Agencies, executed the DoD AIT Concept of Operations (CONOPS). The CONOPS implemented AIT technology in supply and transportation for unit move, seavan movement, airlift, and ammunition

movements.

Because of the program's high return on investment in EUCOM, the Logistics AIT office is now studying implementation in Pacific and Central Commands. The office has also started initial planning for program expansion in the areas of procurement and aviation maintenance.

Rapid Acquisition of Manufactured Parts (RAMP)

DLA assumed responsibility for the RAMPS program. The RAMP mission is to develop methods to reduce the acquisition and manufacturing lead times for parts in limited supply. Its objective is to develop the capability to manufacture low-volume, hard-to-obtain parts, quickly and efficiently. DLSC manages the program, which includes the devel-

opment of web-based tools to allow "On Demand Manufacturing" to be placed on the EMALL.

Logistics Community Manager

In July 1998 DLA was designated the DoD Executive Agent for the Logistics Community Manager. Joint Vision 2010, the Joint Chiefs of Staff's template for moving America's Armed Forces into the next century, defines Focused Logistics as the fusion of logistics support elements through technology. The mission of the Logistics Community Manager is to initiate and, where possible, accelerate the development and implementation of an interoperable logistics infrastructure and shared data environment across DoD and private industry, in support of the Joint Warfighter. ■

Revolution, from page 39

19-month period and has a projected savings of \$10 million in 1999.

Purchase Cards

In fiscal 1998, over 86 percent of purchases less than \$2,500 were made using the purchase card. The Purchase Card Program Management Office (PC PMO) is managing the current effort, which will allow cardholders and billing officials to review and certify their billing statements via the web. JECPO is working with the PC PMO to also implement the electronic transmission of obligations and invoices between the banks and the Defense Finance and Accounting Service's accounting and disbursement systems. By automating these functions, the government will reduce costs and errors and improve the timeliness of payments.

Wartime Readiness

The Industrial Base Warstopper program establishes and maintains an industrial base sufficient to satisfy the Agency's wartime or contingency military requirements. Investments are made in eight core areas: Nerve Agent Antidotes, Chemical Protective Overgarments, Chemical Protective Gloves, Meals Ready-to-Eat, Tray Pack Rations, Medical Readiness, and Nuclear

Biological Chemical Defense. The program focuses on the acceleration of production versus maintaining war reserve inventories, whenever possible. The program employs a number of strategies, from ensuring sole source producers of key items remain viable, to purchasing and maintaining equipment to increase reserve production capacity.

Medical Readiness

Instead of maintaining warehouses full of short shelf-life medical items, DLA currently obtains information about, and access to, commercial inventories of medical supplies. The actual supplies are maintained and rotated by the commercial manufacturers and distributors, but are available to DoD immediately when needed. The requirement for large amounts of warehouse space to store medical supplies has been eliminated, periodic tests are conducted to ensure the stocks can be delivered promptly, and DLA has guaranteed access to approximately \$7 worth of new medical supplies for every dollar invested.

Virtual Wartime Visibility

This program purchases information about troop field rations rather than the food supplies themselves, but is convertible to an actual supply

mechanism if needed. The contractor will supplement the conventional system of supply, as needed, eliminating the need for the government to stockpile millions of dollars of food. This \$100,000 investment purchases access to private stocks worth over \$200 million, creating a high level of readiness at a low cost.

Protecting Interests

As DLA continues to change the way it does business, it must continue to hold to the same diligent standards of high quality and excellent service, both in our expectations of our organization and of our partners in industry. There are times when we must take action to resolve disputes, and at the same time, protect the government's interests. With this in mind, DLA's General Counsel has revised the way we approach disputes of all types, from bid protests and contract appeals, to employment-related issues and environmental cases. In 1992, the Counsel's emphasis shifted from formal litigation to Alternative Dispute Resolution (ADR). Since 1997, even greater emphasis has been accorded ADR, and use of mediation is encouraged wherever practicable. In 1998, the Agency continued to experience a high success rate on its dispute resolution. ■

Technology, from page 43

inventories of war-related supplies to "just in time" supply operations requires staying abreast of production capability in the private sector and identifying potential bottlenecks in the supply chain. WICAP eliminates a 22-page questionnaire and creates a streamlined, web-based system, improving DLA's ability to enhance wartime readiness, at reduced cost.

The Integrated Consumable Item Support (ICIS) Model uses Time Phased Force and Deployment Data, Service planning factors, and DLA item data to project warfighters support requirements during major theater war and other high demand contingencies.

ICIS helps identify and define "war-stoppers," weapons systems affected, how long inventories will last and what decisions should be made now to support future contingencies. Based on the successful "battle test" of the Fuels Deployment Module in Operations Desert Thunder and Desert Fox, Theater Commanders, Commanders-In-Chief (CINC), the Services and the Joint Chiefs of Staff have requested ICIS assessments. In addition to fuels requirements assessments, requests include support of exercises and contingencies, and the expansion of ICIS to include Service managed repairable and consumable parts, ammunition, and subsistence items. ■